

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Del Shea Perry,

Court File No. 19-cv-02580 (KMM/LIB)

Plaintiff,

ORDER FOR DISTRIBUTION OF
SETTLEMENT PROCEEDS

vs.

FILED UNDER SEAL

Beltrami County, et al.,

Defendants.

This matter came before the Court on Plaintiff's Petition for Distribution of Settlement Proceeds Pursuant to Minn. Gen. R. Pract. 144.05 (Doc. No. 120). On February 15, 2023, this Court held a contested hearing on Plaintiff's Petition. On February 17, 2023, this Court issued its Preliminary Order for Distribution of Settlement Proceeds (Doc. No. 136), wherein Plaintiff's petition was granted in part. The Court now issues this final order for distribution of settlement proceeds. Accordingly, **IT IS HEREBY ORDERED THAT** Plaintiff's global settlement of \$2,600,000.00 shall be disbursed as directed below.

1. \$ [REDACTED] shall be paid to **Annie Vadnais for the benefit of [REDACTED]**, a **minor**. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$ [REDACTED]; and (2) Defendant MEND Correctional Care, PLLC, shall issue payment of \$ [REDACTED].
2. \$ [REDACTED] shall be paid to **Kari Ann Lathe for the benefit of [REDACTED]**, a **minor**. Contribution by the settling Defendants shall be as follows: (1) Defendant

Beltrami County shall issue payment of \$[REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$[REDACTED].

3. \$[REDACTED] shall be paid to **Phyllis Jean Eide for the benefit of [REDACTED], a minor**. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$[REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$[REDACTED].

4. Defendant MEnD Correctional Care, PLLC shall issue payment of \$[REDACTED] to **The Law Office of Zorislav R. Leyderman IOLTA Trust**. These funds shall be held in trust by Plaintiff's counsel and shall be made payable to a monument company of Del Shea Perry's choosing for a new headstone for Hardel H. Sherrell, decedent.

5. \$[REDACTED] shall be paid to MetLife Assignment Company, Inc. to fund periodic annuity payments for the benefit of [REDACTED], Hardel H. Sherrell's minor biological daughter. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$[REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$[REDACTED]. These periodic annuity payments shall be structured as follows:

a. **Payee: Annie Vadnais for the benefit of [REDACTED], a minor:**
 \$[REDACTED] payable monthly guaranteed for six (6) years and five (5) months starting on May 1, 2023, with the last payment on September 1, 2029.

b. **Payee: Annie Vadnais for the benefit of [REDACTED]:**

\$ [REDACTED] payable monthly guaranteed for nine (9) months starting on October 1, 2029, with the last payment on June 1, 2030.

c. **Payee: [REDACTED]:**

\$ [REDACTED] payable monthly guaranteed for eleven (11) years and three (3) months starting on July 1, 2030, with the last payment on September 1, 2041.

\$ [REDACTED] guaranteed lump sum payable on September 20, 2033, at age 22.

\$ [REDACTED] guaranteed lump sum payable on September 20, 2036, at age 25.

\$ [REDACTED] guaranteed lump sum payable on September 20, 2041, at age 30.

6. \$ [REDACTED] shall be paid to MetLife Assignment Company, Inc. to fund periodic annuity payments for the benefit of [REDACTED], Hardel H. Sherrell's minor biological daughter. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$ [REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$ [REDACTED]. These periodic annuity payments shall be structured as follows:

a. **Payee: Kari Ann Lathe for the benefit of [REDACTED], a minor:**

\$ [REDACTED] payable monthly guaranteed for eight (8) years and nine (9) months starting on May 1, 2023, with the last payment on January 1, 2032.

b. Payee: Kari Ann Lathe for the benefit of [REDACTED]:

\$[REDACTED] payable monthly guaranteed for five (5) months starting on February 1, 2032, with the last payment on June 1, 2032.

c. Payee: [REDACTED]:

\$[REDACTED] payable monthly guaranteed for eleven (11) years and seven (7) months starting on July 1, 2032, with the last payment on January 1, 2044.

\$[REDACTED] guaranteed lump sum payable on January 31, 2036, at age 22.

\$[REDACTED] guaranteed lump sum payable on January 31, 2039, at age 25.

\$[REDACTED] guaranteed lump sum payable on January 31, 2044, at age 30.

7. \$[REDACTED] shall be paid to MetLife Assignment Company, Inc. to fund periodic annuity payments for the benefit of [REDACTED], Hardel H. Sherrell's minor biological daughter. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$[REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$[REDACTED]. These periodic annuity payments shall be structured as follows:

a. Payee: Phyllis Jean Eide for the benefit of [REDACTED], a minor:

\$[REDACTED] payable monthly guaranteed for ten (10) years and five (5)

months starting on May 1, 2023, with the last payment on September 1, 2033.

b. **Payee:** [REDACTED]:

\$ [REDACTED] payable monthly guaranteed for twelve (12) years starting on October 1, 2033, with the last payment on September 1, 2045.

\$ [REDACTED] guaranteed lump sum payable on September 8, 2037, at age 22.

\$ [REDACTED] guaranteed lump sum payable on September 8, 2040, at age 25.

\$ [REDACTED] guaranteed lump sum payable on September 8, 2045, at age 30.

8. Additional periodic payment terms for payments to and for the benefit of [REDACTED], [REDACTED], and [REDACTED], as directed in paragraphs 5-7 above, shall be as follows:

- a. Any future sale, transfer, modification, or acceleration of these periodic annuity payments shall be restricted to the extent permitted under Minnesota state and/or federal law. These periodic annuity payments shall not be accelerated, deferred, increased, or decreased by the Plaintiff or any Payee; nor shall the Plaintiff or Payee have the power to sell, mortgage, encumber, or anticipate the periodic payments, or any part thereof, by assignment or otherwise.

- b. The obligation to make periodic payments shall be assigned by the settling Defendants pursuant to a “qualified assignment” within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, to MetLife Assignment Company, Inc. (“Assignee”) and funded by an annuity contract issued by Metropolitan Tower Life Insurance Company (“Annuity Issuer”), rated A+XV by A.M. Best Company.
- c. The periodic payments shall constitute payment for damages on account of personal physical injuries or sickness, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.
- d. Any payments to be made after the death of the Payee shall be made to the Estate of the Payee. After the age of majority, Payee may submit a change of beneficiary in writing to the Assignee. The designation must be in a form acceptable to the Assignee.
- e. The future payment amounts outlined in paragraphs 5-7 above are guaranteed based upon a projected annuity purchase date of April 1, 2023. Any delay in funding the annuity may result in a delay of the payment dates or change in payment amounts that shall be recorded in the settlement agreement and release, qualified assignment document and annuity contract without the need of obtaining an amended Petition/Order up to 180 days after the original purchase date.

9. \$ [REDACTED] shall be paid to Harry Burton Sherrell, Hardel H. Sherrell's biological father, to be paid in lump sum or through structured annuity payments per direction of Harry Burton Sherrell. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$ [REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$ [REDACTED]. If requested by Harry Burton Sherrell, and at his sole discretion, the obligation to make these payments shall be assigned by the settling Defendants pursuant to a "qualified assignment" within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended.
10. \$ [REDACTED] shall be paid to Patricia Taylor, Hardel H. Sherrell's paternal grandmother.
11. \$ [REDACTED] shall be paid to Del Shea Perry, Hardel H. Sherrell's biological mother, to be paid in lump sum or through structured annuity payments per direction of Del Shea Perry. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$ [REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment of \$ [REDACTED]. If requested by Del Shea Perry, and at her sole discretion, the obligation to make these payments shall be assigned by the settling Defendants pursuant to a "qualified assignment" within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended.
12. \$ [REDACTED] shall be paid to The Law Office of Zorislav R. Leyderman for attorney's fees and past costs/litigation expenses, to be paid in lump sum or through structured annuity payments per direction of Zorislav R. Leyderman. Contribution by the settling Defendants shall be as follows: (1) Defendant Beltrami County shall issue payment of \$ [REDACTED]; and (2) Defendant MEnD Correctional Care, PLLC, shall issue payment

of \$ [REDACTED]. If requested by Zorislav R. Leyderman, and at his sole discretion, the obligation to make these payments shall be assigned by the settling Defendants pursuant to a “qualified assignment” within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended.

Dated: February 27, 2023

s/Katherine Menendez
Katherine Menendez
United States District Judge